## Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 01189 161436 Z

42

ACTION EB-11

INFO OCT-01 EUR-25 IO-12 ADP-00 AGR-20 CEA-02 CIAE-00

COME-00 DODE-00 FRB-02 H-02 INR-09 INT-08 L-03 LAB-06

NSAE-00 NSC-10 PA-03 RSC-01 AID-20 CIEP-02 SS-14

STR-08 TAR-02 TRSE-00 USIA-12 PRS-01 SAL-01 OMB-01

NEA-10 EA-11 AF-10 ARA-11 RSR-01 /219 W ----- 072936

R 161415 Z MAR 73 FM USMISSION GENEVA TO SECSTATE WASHDC 8330 INFO AMEMBASSY BONN AMEMBASSY PARIS USMISSION EC BRUSSELS USMISSION OECD PARIS

LIMITED OFFICIAL USE GENEVA 1189

E. O. 11652: N/A

TAGS: ETRD, EEC, GATT

SUBJECT: EC MEDITERRANEAN POLICY

REF: A. BONN 3604 B. EC BRUSSELS 1344

- 1. WE ARE NOT VERY HAPPY WITH DESCRIPTION OF ONE OF PROBLEMS RE PREFERENTIAL ARRANGEMENTS AS "GATTABILITY" OR CONSISTENCY WITH GATT. EC'S FREE TRADE AREA ARRANGEMENTS HAVE NOT BEEN APPROVED BY GATT AS MEETING ARTICLE 24 AND, THOUGH EC ASSERTS THE CONTRARY, SOME OF THESE ARRANGEMENTS ARE NOT EVEN CLOSE TO MEETING CRITERIA OF GATT. EC HAS NOT BEEN MUCH IF AT ALL CONCERNED WITH THIS.
- 2. WE SEE SEVERAL OBJECTIONS TO FEDREP IDEA OF TRYING TO CONSTRUCT GATT DEFENSE OF ONE- WAY PREFERENCES BY DRAWING ON ARTICLES 18, 24 AND PART 4. FIRST, THOUGH THIS HAS BEEN ADVANCED AS POSSIBLE WAY TO DEAL WITH ONE- WAY FTAS BETWEEN EC AND LDC'S, WE ASSUME IT WOULD NOT RPT NOT BE APPLIED TO SPAIN AND ISRAEL WHICH ARE THE TWO COUNLIMITED OFFICIAL USE

LIMITED OFFICIAL USE

## PAGE 02 GENEVA 01189 161436 Z

TRIES WHERE REVERSE PREFERENCES HAVE REAL BITE, BOTH NOW AND IN NEAR-TERM FUTURE, IN PUTTING US EXPORTS AT COMPETITIVE DISADVANTAGE. SECOND, WHILE USING THIS DEVICE TO OBTAIN DE JURE EQUALITY FOR US EXPORTS TO A NUMBER OF MINOR LDC MARKETS MIGHT BE OF SOME SLIGHT ADVANTAGE TO US IN SHORT RUN, WE FEAR A LARGER LONGER-TERM RISK TO US TRADE COULD RESULT FROM OUR ACQUIESCENCE IN DISCRIMINATORY PREFERENTIAL ACCESS FOR PARTICULAR LDC PRODUCTS INTO ENLARGED

EC. FINALLY, THERE IS NOTHING IN ARTICLE 18 OR PART 4 THAT MODERATES OR OVERRIDES ARTICLE 24 OR AUTHORIZES DISCRIMINATION AMONG CPS AND WE THINK THERE ARE DANGEROUS IMPLICATIONS IN ACCEPTANCE OF SUGGESTION THAT THERE IS. (LDCS ALMOST CERTAINLY WOULD SEIZE ON THIS TO SUPPORT WIDE ARRAY OF DEMANDS IN MTN AND ELSEWHERE.)

3. MISSION THINKS IN ANY CASE US EFFORTS SHOULD CONCENTRATE ON THE SUBSTANCE OF EC- MEDITERRANEAN RELATIONS AND IMPACT THEREOF ON US EC AND US- MEDITERRANEAN RELATIONS. "GATTABILITY" SHOULD DEFINITELY TAKE A BACK SEAT TO EFFORTS RESOLVE THIS INCREASINGLY COMPLEX AND DIVISIVE ISSUE. IF EC CAN BE PERSUADED TO ADOPT A POLICY FOR MEDITERRANEAN LESS HOSTILE TO US ECONOMIC AND POLITICAL INTERESTS, WE NEED HAVE NO SERIOUS CONCERN ABOUT GATT RULES STANDING IN THE WAY OF A SETTLEMENT ACCEPTED BY BOTH US AND EC. RIMESTAD

LIMITED OFFICIAL USE

<sup>\*\*\*</sup> Current Handling Restrictions \*\*\* n/a

<sup>\*\*\*</sup> Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

**Current Classification: UNCLASSIFIED** 

Concepts: n/a Control Number: n/a Copy: SINGLE Draft Date: 16 MAR 1973 Decaption Date: 01 JAN 1960 Decaption Note: Disposition Action: RELEASED

Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973GENEVA01189

Document Number: 1973GENEVA01189 Document Source: CORE Document Unique ID: 00 Drafter: n/a

Enclosure: n/a Executive Order: n/a Errors: n/a Film Number: n/a From: GENEVA

Handling Restrictions: n/a

Image Path:

Legacy Key: link1973/newtext/t19730334/aaaaibyh.tel Line Count: 90

Locator: TEXT ON-LINE Office: ACTION EB

Original Classification: LIMITED OFFICIAL USE

Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 2

Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE Previous Handling Restrictions: n/a
Reference: 73 BONN 3604, 73 EC BRUSSELS 1344
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a

Review Comment: n/a Review Content Flags: Review Date: 30 JUL 2001

**Review Event:** 

Review Exemptions: n/a
Review History: RELEASED <30-Jul-2001 by willialc>; APPROVED <06-Sep-2001 by garlanwa>

**Review Markings:** 

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

**Review Media Identifier:** Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN

Status: <DBA CORRECTED> jms 971217 Subject: EC MEDITERRANEÁN POLICY

TAGS: ETRD, EEC, GATT

To: BONN

ĒΒ **EC BRUSSELS OECD PARIS** 

PARIS SECSTATE WASHDC

Type: TE

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005